

## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.





# **CORN**

**PROGRAM FOR 1950**

**PRICE SUPPORTS**

**ACREAGE ALLOTMENTS**

**HERE  
are the  
FACTS**

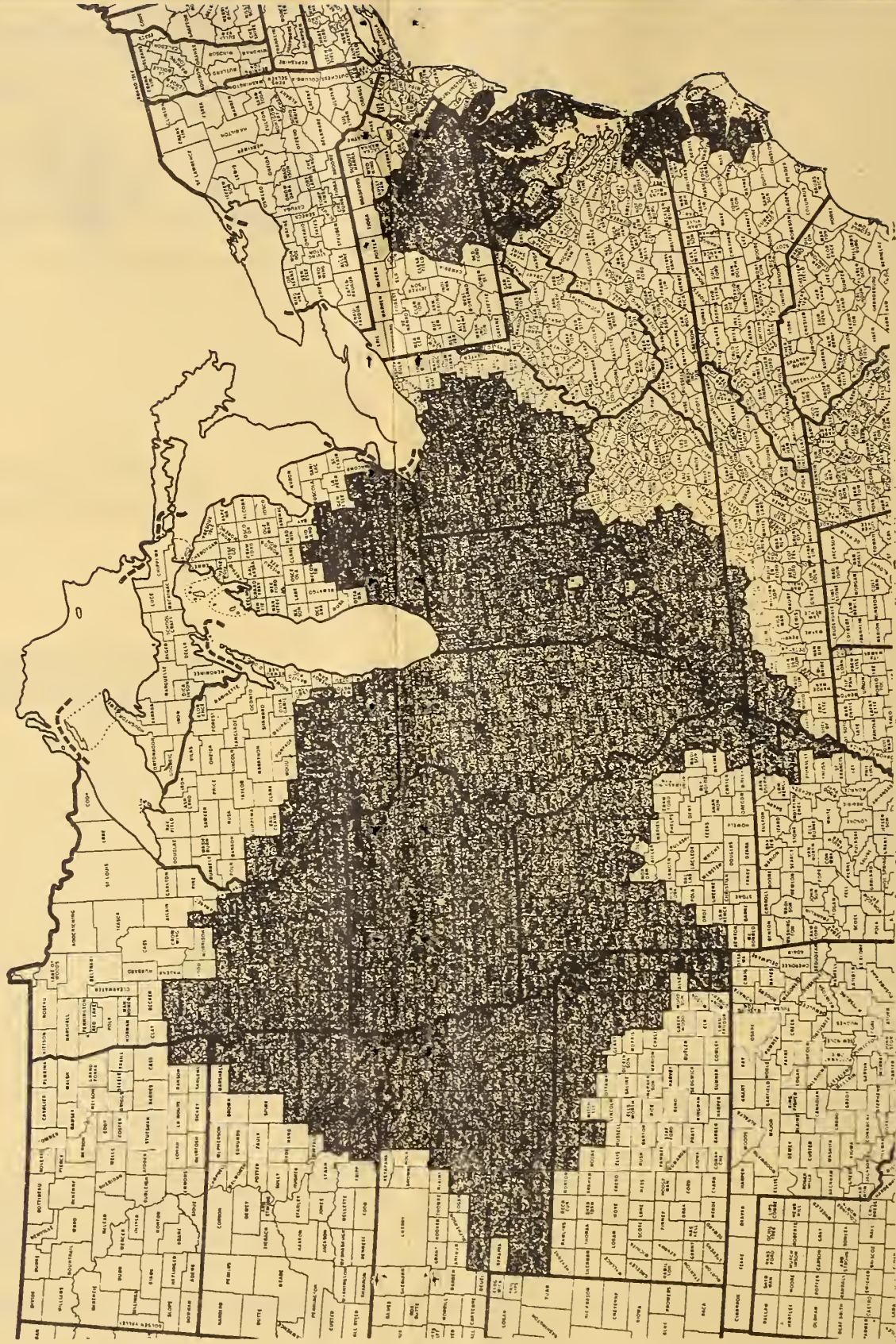
---

**PRODUCTION AND MARKETING ADMINISTRATION**  
United States Department of Agriculture

---



# 1950 COMMERCIAL CORN PRODUCING AREA



The "commercial corn-producing area" for 1950 is represented by the shaded counties on this map. The counties to be included are determined annually on the basis of corn production per farm and per acre of farm-land in the county according to a formula in the Agricultural Adjustment Act of 1938, as amended.



## WHAT THIS IS ABOUT

Farm acreage allotments for corn are being used in 1950 in the commercial corn-producing area as a basis of eligibility for Federal price support, and as a guide to help farmers cooperatively adjust production to requirements.

It has not been necessary to proclaim marketing quotas for the 1950 corn crop. Whether or not marketing quotas will be required after 1950 will depend largely on how well you and other producers cooperate with the 1950 acreage allotment program.

The following information will help you decide how much corn to plant.

### YOUR FARM ACREAGE ALLOTMENT FOR 1950

1. If you grew corn in one or more of the 3 years--1947, 1948, 1949--a farm acreage allotment has been established for your farm.
2. "Corn acreage" for purposes of the program means the number of acres on which field corn is planted alone or interplanted with other crops including corn for seed, and sweet corn and popcorn used for feed or silage. Acreage planted to sweet corn and popcorn for feed and silage is not included if the ears are picked for market or processing.
3. The allotment is set by your county Production and Marketing Administration (PMA) committee on the basis of your tillable acreage, crop-rotation practices, type of soil and topography, taking into consideration the relation between the "usual" corn acreage for the county and the number of acres in the county allotment available for distribution to eligible farms.
4. If you did not plant corn on your farm in any one of the 3 years--1947, 1948, 1949--but filed a request for a 1950 allotment prior to the closing date for receiving such requests, an allotment may be established by the county PMA committee if it finds that the facts justify the allotment, and other necessary requirements are met.
5. If, after receiving notice of your farm acreage allotment; you have reason to believe that it has not been properly determined and can offer facts to substantiate your claim, you may file an appeal with your county PMA committee for reconsidera-

tion. Such appeal must be filed within 15 days after the notice of allotment was mailed to you. Provision is also made for appeal of the county committee decision to the State PMA Committee, and from the State committee to the Director, Grain Branch, Production and Marketing Administration, if necessary.

### PRICE SUPPORT FOR THE 1950 CROP

1. As acreage allotments are being used in 1950, the mandatory level of price support in the commercial corn-producing area is 90 percent of the October 1, 1950, parity price.
2. The level of price support outside the commercial corn-producing area is set by law at 75 percent of the rate in the commercial area (67.5 percent of parity in 1950).
3. The methods of price support will be announced prior to planting time in the commercial corn-producing area. It is expected that, as in the past, nonrecourse loans and purchase agreements will be used.
4. You will need to have adequate storage available to take full advantage of loan and purchase agreement programs. To help finance the construction or purchase of new cribs and bins that meet specifications of the Commodity Credit Corporation, loans at 4 percent interest repayable in five yearly installments can be arranged through your county PMA committee.

### PRICE-SUPPORT ELIGIBILITY DEPENDS ON COOPERATION WITH ALLOTMENT PROGRAM

1. IF YOU HAVE AN INTEREST IN THE CORN CROP ON ONLY ONE FARM:

You will be eligible for price support on all or any part of your 1950-crop corn if the acreage planted to corn on your farm does not exceed the farm acreage allotment.

You will not be entitled to price support on any of your 1950-crop corn if the acreage planted to corn on your farm is in excess of the farm acreage allotment.

## 2. IF YOU HAVE AN INTEREST IN THE CORN CROP OF TWO OR MORE FARMS;

You will be eligible for price support on all or any part of your 1950-crop corn if the acreage planted to corn on each farm does not exceed the farm acreage allotment.

But if the acreage planted to corn on one or more farms is in excess of the corn acreage allotments for these farms, you will not be eligible for price support on the corn produced on such farms, and may not be eligible for price support on any of your 1950-crop corn. See your county FMA committee for further details.

## 3. Cooperation with acreage allotment or marketing quota programs for other agricultural commodities will not be a condition of eligibility for price support for 1950-crop corn.

### THE CORN "SITUATION" FOR 1950

The total supply of corn for the marketing year which began last October 1, estimated at 4,193 million bushels, is an all-time record--nearly 400 million bushels above the previous record set last year, and about 900 million bushels larger than the average supply in the last 5 years.

This results from the record 1948-crop carry-over of 815 million bushels and the 3,378-million-bushel crop harvested in 1949--the second largest crop of record. Imports during the marketing year are expected to be negligible.

Though substantially larger requirements for corn than before the war seem to be assured, present supplies are more than adequate for all existing and indicated outlets. A carry-over at the end of the marketing year--September 30, 1950--of nearly 1 billion bushels seems inevitable.

It is estimated that about 2,850 million bushels of corn will be used for feed during the marketing year. This figure reflects an estimated increase of 12 percent in the number of hogs fed and other expansions in livestock operations. Food and industrial uses are estimated at 240 million bushels, and 11 million bushels are expected to be used for seed. On this basis, domestic disappearance will be about 3,101 million bushels for the marketing year.

Exports for the same period are estimated at 130 million bushels. By adding an allowance of 10 percent of these figures as a reserve, the "normal supply" for the marketing year, determined according to the law, becomes 3,554 million bushels.

It is expected at this time that corn requirements during the marketing year beginning October 1, 1950, will be about the same as for this year. A "normal supply" of 3,554 million bushels is therefore used as a basis for determining the 1950 national acreage allotment. The expected carry-over on October 1, 1950, of 927 million bushels and the estimated 1950 production outside the commercial corn area of 717 million bushels are deducted from this figure. This leaves a total of 1,910 million bushels which is the amount of corn that should be produced in 1950 in the commercial area to provide a "normal supply" for the next marketing year.

The acreage allotment of 46,246,973 acres was determined by dividing 1,910 million bushels by the average yield of 41.3 bushels per acre in the commercial area. The 1950 allotment represents a reduction of 19.7 percent from 1949 plantings of 57,579,000 acres in the commercial area.

The national allotment was apportioned among the counties in the commercial area on the basis of the planted acreage during the 10-year period, 1940-49, with adjustments for abnormal weather conditions, trends in acreage, and for the promotion of soil-conservation practices.

County allotments have been divided among individual corn-producing farms on the basis of tillable acreage, crop-rotation practices, type of soil, and topography.

Corn supplies are especially large in the commercial corn-producing area. Almost all of the approximately 450 million bushels of 1948-crop corn being held by farmers under the resealing program or acquired by CCC in settlement of loans and purchase agreements is in the commercial area. To this quantity must be added the unmarketed part of the 1949 crop, and an additional quantity of 1948-crop corn that wasn't placed under price support that is still being held by farmers and the trade.

Because other feed grains are also in generally plentiful supply, the total quantity of feed concentrates available this year is at an all-time high. But of even greater importance is the fact



that the supply of feed available per grain-consuming animal unit is of record proportions, and exceeds by more than 20 percent the average during the 1937-41 period when feed supplies were also relatively large, and substantial reserves of corn had been accumulated by CCC under price-support programs.

## ABOUT MARKETING QUOTAS

When the total supply of corn exceeds the normal supply for the marketing year by more than 20 percent, the Secretary of Agriculture is required to proclaim marketing quotas for the next crop. Marketing quotas are used to promote orderly marketing under conditions of supply that might otherwise disrupt the market.

With normal supply estimated at 3,554 million bushels, a marketing quota proclamation for the 1950 crop would have been required only if the total supply had exceeded 4,265 million bushels (normal supply plus 20 percent). As the total supply of 4,193 million bushels for the current marketing year does not exceed this figure, no marketing quota proclamation was necessary.

## SEE YOUR COUNTY FMA COMMITTEE

If you have additional questions about acreage allotments, price supports, storage facility loans, or any other phases of the program, your county Production and Marketing Administration (FMA) committee will be glad to answer them for you.

Washington, D C

January 1950

